

of three per cent, refunding bonds as security for circulating notes. This limitation on the class of bonds was accompanied by a drastic provision repealing the authority to reduce circulation and withdraw bonds. The banks generally preferred to retain the existing bonds, paying higher rates of interest, even with the loss of circulation, than to submit to such a measure, and 141 banks hastened to deposit \$18,764,434 in lawful money for the retirement of their notes and the withdrawal of their bonds in anticipation of the enactment of the bill. The measure was vetoed by President Hayes, but the result upon the secured circulation was to reduce it from \$322,654,721 on February 1, 1881, to \$305,587,202 on March 1, 1881. Many of the bonds were deposited again after the adjournment of Congress and the circulation increased to \$332,398,922 on January 1, 1882. A gradual decline, whose results may be observed in the following table, marked the history of the secured circulation from 1882 to 1892 :

JANUARY 1ST.	AUTHORIZED CAPITAL STOCK.	CIRCULATION SECURED BY BONDS.	TOTAL NOTES OUT- STANDING.
1873	\$487,781,551	\$344,582,812	\$347,066,898
1874	409,003,401	348,624,953	350,848,236
1875	503,347,901	342,333,837	354,128,250
1876	511,155,865	324,484,539	346,479,756
1877	501,392,171	302,020,242	321,595,606
1878	485,557,771	309,890,415	321,672,505
1879	471,609,396	313,218,189	323,791,674
1880	461,557,515	328,773,639	342,387,336
1881	467,039,084	322,832,101	344,355,203
1882	470,018,135	332,398,922	362,421,988
1883	492,076,635	322,386,120	362,651,169
1884	518,031,135	310,953,321	350,482,828
1885	529,910,165	285,496,055	329,158,623
1886	534,378,265	274,466,748	317,443,454
1887	555,865,165	205,316,106	296,771,981
1888	584,726,915	165,205,724	268,398,878
1889	598,239,065	140,372,588	233,660,027
1890	623,791,365	127,742,440	197,230,405
1891	665,267,865	125,660,361	177,287,846
1892	685,762,265	140,084,203	173,078,585
1893	695,148,665	150,526,651	174,404,424
1894	693,353,165	185,194,522	208,538,844
1895	670,906,365	176,667,466	206,513,653
1896	664,076,915	190,616,160	213,627,821